



State of Utah
School & Institutional
Trust Lands Administration

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SECRETARY, BOARD OF
OIL, GAS & MINING

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Lieutenant Governor

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December 2, 2015

Board of Oil, Gas and Mining
ATTENTION: Mr. Ruland Gill, Chairman
1594 North West Temple
P.O. Box 145801
Salt Lake City, UT 84114

RE: Docket No. 2015-028
Cause No. 270-07
Ultra Resources, Inc. - approval of pilot waterflood operations
Township 8 South, Range 20 East, SLM
Section 2: SWNE, S/2NW, SW, W/2SE
Uintah County, UT

Dear Mr. Gill:

School and Institutional Trust Lands Administration (TLA) has reviewed the waterflood project on trust lands in Section 2 captioned above. TLA has a fiduciary duty to its beneficiaries to commit lands to the highest and best uses for the benefit of the beneficiary. Royalties from oil and gas is a major contributor to the revenue stream generated on trust lands for the schools. It is important to TLA that the maximum amount of hydrocarbons be produced from all wellbores on trust lands while protecting the integrity of the surface lands for future generations of schoolchildren.

Ultra has proven themselves to be a responsible operator on trust lands. The proposed project has the possibility of extracting additional hydrocarbons from the reservoir which could not be produced through primary recovery. The purpose of this letter is to advise the Board that TLA supports the Ultra project on TLA's lands in Section 2, and deems it to be in the best interest of the trust beneficiary, being the Public School System Permanent Fund, if the Board would grant approval of the Ultra project and allow them to complete their pilot waterflood study.

Should you have any questions, please do not hesitate to contact me at the letterhead address or by email at lavonnegarrison@utah.gov.

Yours very truly,


LaVonne J. Garrison
Assistant Director/Oil & Gas

Cc: Mr. Craig Blancett, Ultra Petroleum

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